

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF BELFRY)	CASE NO. 7341-QQ
GAS, INC.)	

O R D E R

On July 19, 1979, the Commission issued its Order in Case No. 7341 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On July 7, 1989, Belfry Gas, Inc. ("Belfry") notified the Commission that its wholesale cost of gas will be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective August 1, 1989, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

(1) Belfry's notice of July 7, 1989 set out a wholesale increase in price from its supplier in the amount of \$17,200 or 21 cent per Mcf.

(2) Transmission applied with the Federal Energy Regulatory Commission for increased rates to become effective August 1, 1989. Belfry requested a waiver of the 30-day filing requirement. Pursuant to KRS 278.180, upon Belfry's showing of good cause, Belfry's effective date for the increase should be August 1, 1989. Transmission's rates are subject to refund; therefore, Belfry's rates should be subject to refund.

(3) Belfry's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 7341 dated July 19, 1979 is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after August 1, 1989, subject to refund.

IT IS THEREFORE ORDERED that:


(1) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after August 1, 1989, subject to refund.

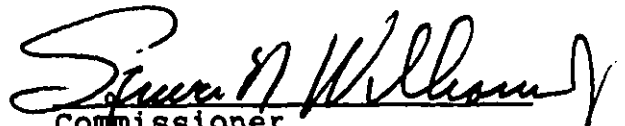
(2) Within 30 days of the date of this Order, Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 24th day of July, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN CASE NO. 7341-QQ DATED 7/24/89

The following rates are prescribed for the customers served by Belfry Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First 1,000 cu. ft.	\$7.94 Minimum Bill
Over 1,000 cu. ft.	5.43 per 1,000 cu. ft.

The base rate for the future application of the purchased gas adjustment clause of Belfry Gas, Inc. shall be:

	<u>Commodity</u>
Columbia Gas Transmission Corporation Schedule SGS	\$4.0963 per Mcf